# SUBCOMMITTEE NO. 2

# **Agenda**

Sheila Kuehl, Chair Bob Dutton Alan Lowenthal



# Wednesday, May 17, 2006 Outcomes

## Part I - Agenda

| <u>ltem</u> | <u>Department</u>                      | <u>Page</u> |
|-------------|--|-------------|
| Climate     | e Change Initiative                    | 2           |
|             | Secretary for Environmental Protection |             |
|             | California Energy Commission           |             |
|             | California Public Utilities Commission |             |
| 3900        | Air Resources Board                    |             |
| 3910        | Integrated Waste Management Board      |             |

#### Resources—Environmental Protection—Energy—Utilities

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## Climate Change Initiative

#### Action.

Adopted placeholder trailer bill language to fund activities to reduce GHG emissions.
The trailer bill will tie all funding directly to recommendations and emission reduction
strategies in the Climate Action Team Report. The trailer bill language will also create
measurable outcomes for all studies and activities proposed for funding in the budget.

Vote. 2-1 (Dutton)

# 0555 Secretary for Environmental Protection

## 1. Climate Change Initiative

#### Action.

- Rejected the Governor's budget proposal.
- Rejected the May Revision proposal.

**Vote.** 3-0

• Evaluated the need for additional monies in trailer bill discussions (there really is no change book action associated with this action.)

**Vote.** 2-1

# 3360 California Energy Commission

## 1. Climate Change Initiative

**Action.** Rejected this proposal and evaluate the need for additional monies in trailer bill discussions.

**Vote.** 3-0 to reject, 2-1 (Dutton) to evaluate need for additional monies.

## 2. Public Interest Energy Research Programs

#### Action.

- Approved the Governor's budget proposal to augment the PIER natural gas staffing.
- Deleted funding from the budget in support of the PIER program (\$69.9 million) and the natural gas PIER program (\$1.2 million).
- Adopted trailer bill language to appropriate the PIER monies and provide statutory authority to continue the PIER program.
- Adopted trailer bill language to establish in statute a natural gas PIER program and appropriate continuously appropriated natural gas PIER monies allocated to CEC.

Vote. 2-1 (Dutton)

#### 3. Renewable Resources Trust Fund

#### Action.

- Deleted funding from the budget in support of the Renewable Resources Trust Fund (\$5.5 million).
- Adopted trailer bill language to appropriate the Renewable Resources Trust Fund monies (including continuously appropriated monies) and provide statutory authority to continue the Renewable Energy Program.

Vote. 2-1 (Dutton)

## 8660 California Public Utilities Commission

# 1. Climate Change Initiative

**Action.** Approved the following climate change positions for the commission:

Vote. 2-1 (Dutton)

| Activity  | Current<br>Staffing | Staffing<br>Identified<br>to Meet<br>Mandates | Governor's<br>Budget | Senate<br>Proposal                               |
|---|---------------------|---|----------------------|--|
| Climate Action Programs   | Bulling             | 1viunutes                                     | Duaget               | Тторозит   |
| - Coordination with Climate Action Team.                          | 0.0                 | 1.0   | +1 (redirect)        | 1.0  |
| - Accelerated implementation of the renewable portfolio standard. | 0.0                 | 3.0   | +3 (redirect)        | AAB<br>(redirect<br>from<br>payphone<br>program) |
| - California Solar Initiative.                                    | 0.0                 | 1.0   | +1 (redirect)        | 1.0  |
| - Expand energy efficiency programs.                              | 0.0                 | 3.0   | +3 (redirect)        | AAB<br>(redirect<br>from<br>payphone<br>program) |
| - Implement the Green Buildings Initiative.                       | 0.0                 | 1.0   | +1 (redirect)        | 1.0  |
| Electric Sector Carbon Policy.                                    | 0.0                 | 2.0   | +2 (redirect)        | 2.0  |
| <ul> <li>Expand combined heat and power program.</li> </ul>       | 0.0                 | 1.0   | +1 (redirect)        | 1.0  |

12.0

0.0

6.0

# 2. Renewable Portfolio Standard Implementation

**Action**. Approved supplemental report language to require quarterly reporting to the Legislature beginning October 1, 2006 of the following information:

- The progress of each investor owned electric utility toward achieving RPS program goals and requirements.
- A work plan, schedule, and status report for all of the procurement, transmission development, and other activities the commission has undertaken, and plans to undertake, to ensure achievement of RPS program goals and requirements.
- A description of actions taken by each investor owned electric utility to ensure adoption
  of a work plan and implementation schedule to achieve RPS program goals and
  requirements.

Vote. 2-1 (Dutton)

#### 3900 Air Resources Board

## 1. Climate Change Initiative.

#### Action.

• Approved \$1.9 million from the MVA to support 15.5 positions.

**Vote.** 2-1 (Dutton)

• Rejected \$3.3 million for various research contracts.

**Vote.** 3-0

• Evaluated the need for additional monies in trailer bill discussions.

Vote. 2-1 (Dutton)

## 2. Hydrogen Highway

#### Action.

• Rejected the Governor's budget proposal.

**Vote.** 3-0

# 3910 Integrated Waste Management Board

## 1. Climate Change Initiative

#### Action.

• Rejected the budget proposal.

**Vote.** 3-0

• Evaluated the need for additional monies in trailer bill discussions.

Vote. 2-1 (Dutton)